



OFFICIAL REPORT
AITHISG OIFIGEIL

Public Petitions Committee

Wednesday 17 February 2021

Session 5



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PUBLIC PETITIONS COMMITTEE

4th Meeting 2021, Session 5

CONVENER

*Johann Lamont (Glasgow) (Lab)

DEPUTY CONVENER

*Gail Ross (Caithness, Sutherland and Ross) (SNP)

COMMITTEE MEMBERS

*Maurice Corry (West Scotland) (Con)

*Tom Mason (North East Scotland) (Con)

*David Torrance (Kirkcaldy) (SNP)

*attended

THE FOLLOWING ALSO PARTICIPATED:

Gary Cobb (Highlands and Islands Airports Ltd)

Rhoda Grant (Highlands and Islands) (Lab)

Inglis Lyon (Highlands and Islands Airports Ltd)

Liam McArthur (Orkney Islands) (LD)

Pat Nolan (Highlands and Islands Airports Ltd)

CLERK TO THE COMMITTEE

Lynn Russell

LOCATION

Virtual Meeting

Scottish Parliament

Public Petitions Committee

Wednesday 17 February 2021

[The Convener opened the meeting at 09:30]

Decision on Taking Business in Private

The Convener (Johann Lamont): Good morning and welcome to the fourth meeting in 2021 of the Public Petitions Committee, which is being held virtually. Because of connection issues, I will be present in audio only.

Agenda item 1 is a decision on whether to take item 3 in private. Do members agree to take item 3 in private?

Members *indicated agreement.*

Continued Petition

Air Traffic Management Strategy Project (PE1804)

09:30

The Convener: Item 2 is the consideration of a continued petition. PE1804, lodged by Alasdair MacEachen, John Doig and Peter Henderson on behalf of Benbecula community council, calls on the Scottish Parliament to urge the Scottish Government to halt Highlands and Islands Airports Ltd's air traffic management strategy project and to conduct an independent assessment of the decisions and decision-making process of the project.

I welcome Rhoda Grant and Liam McArthur, who are present for this item.

At our previous consideration of the petition, the committee agreed to take evidence at a future meeting from representatives of Highlands and Islands Airports Ltd, and I am pleased to welcome today Inglis Lyon, managing director; Gary Cobb, chief operating officer; and Pat Nolan, ATM professional adviser.

Before we move to questions, I invite Inglis Lyon to provide a brief opening statement.

Inglis Lyon (Highlands and Islands Airports Ltd): Good morning and thank you for the opportunity to address the committee today. We appreciate being able to speak directly with you and we understand the significance of the project to the people of the Highlands and Islands, so we wish to answer questions and address concerns that have been voiced by the petitioners and others, including some of the members who are attending today.

Fundamentally, this is a modernisation programme and a complex and challenging change management project. HIAL has not undertaken it lightly; we had been considering it for several years prior to the Helios report in order to address a structural deficit in worldwide air traffic control. We believe that it must be done to ensure the long-term sustainability of air services in the Highlands and Islands. There is general agreement between our air traffic teams and the trade union representatives on the need for the modernisation programme, but there are no alternative proposals for air traffic services that provide the all-encompassing solution of HIAL's current air traffic management strategy. Unless we modernise and move forward with the strategy, we cannot guarantee air connectivity for the Highlands and Islands in the future.

The air traffic management strategy aims to provide a foundation stone to address industry-wide structural deficits that, if left unaddressed, will compromise our lifeline activities and the airline customers that provide them. Those structural deficits were detailed in our earlier submission to the committee last October and include ageing operating models and infrastructure, a need to improve resilience, staff recruitment and retention, a changing legislative framework in United Kingdom and European aviation and an opportunity to improve safety.

Our modernisation programme seeks to address all those issues, not least the resilience challenge, because the current pandemic only highlights the fundamental fragility of the current model of operation. New technology and ways of working are required if we are to remain capable of providing the aviation services that the country needs—not for today or tomorrow but for the next 15 to 25 years—so we must start now to modernise our operations.

I will offer a brief explanation of the journey that we have been on and present our vision of our ultimate destination. In 2017, consultants at Helios were commissioned to examine options for the future of air traffic management for HIAL. In January 2018, the HIAL board approved the air traffic management strategy programme and received approval from the Minister for Transport and the Islands at the time. Soon after that, the air traffic management strategy programme board was established. Membership of the board included Transport Scotland, a non-executive member of the HIAL board and, until recently, a full-time Prospect trade union officer.

In July 2018, the consultancy group EKOS published the optimal location for the combined surveillance centre. It identified Inverness as the optimum location, and that decision was made in part following consultation with air traffic colleagues, who expressed a preference for Inverness, if required to relocate. In December 2019, the air traffic management business case was approved by the Transport Scotland investment and decision-making board. As recently as June 2020, a detailed review of the air traffic management strategy programme direction was undertaken by the new HIAL board, the previous board members having resigned. The new board endorsed previous decisions.

The project remains on schedule and on budget. Although the focus of the programme remains on ensuring long-term connectivity for communities, it will also establish a centre of excellence for air traffic management in the Highlands and Islands and, indeed, Scotland, with the potential to provide training and expertise to airports across the world. We appreciate that a programme of such

magnitude and complexity will bring significant change for people, not least our highly valued air traffic control colleagues. However, it must be done.

From the outset, we have sought to be open, transparent and inclusive. We have asked for views, insight and input from our staff, the unions and the local community, and their contributions have been, and will continue to be, taken on board as we deliver air navigation services into the future. The air traffic management strategy delivery team has studied and consulted and is learning from other countries and their air traffic systems to ensure that the technology that we finally choose will be world class. Our project has safety, resilience and contingency built in; our regulator would not permit us to do otherwise. Thank you for allowing us to address the committee. I look forward to the discussion.

The Convener: Thank you for your opening statement. Can you confirm that your position is that what you have decided is the only option?

Inglis Lyon: It is the only option that delivers the level of resilience that we seek to introduce to the network, as we look towards the next 15 to 25 years.

The Convener: Although you say that you are working with other people, the basic point is that, actually, this is the only option that is available to you.

Inglis Lyon: The option that delivers the resilience that we are looking for over the next 15 to 25 years is the option on the table just now. We are working with colleagues in the trade union and across the company to find ways to help them to make that transition.

The Convener: The petitioners have suggested that improving local infrastructure, including radar, would be a preferable option. I understand that the Helios report dismissed radar in the tower as unacceptable to the Civil Aviation Authority, but, in fact, it is acceptable to the CAA. Is that correct?

Inglis Lyon: I will bring in Gary Cobb, because he will explain to you where we are with regard to surveillance technology. The subject of surveillance—

The Convener: I am sorry. I will allow that in a moment, but I am asking about the basic point that the report for HIAL from Helios dismissed radar in the tower as unacceptable to the CAA, but I understand that the CAA says that radar in the tower is a proven concept and acceptable.

Inglis Lyon: Radar in the tower is used in airports where the traffic levels are low. It has been adopted by some of the larger airports in Scotland for the duration of the pandemic, because the traffic levels are so low. Radar in the

tower does not provide HIAL with a long-term solution to the risk that we face, because it involves adding resilience and manning levels to the towers, whereas that resilience should be placed in the centre.

The Convener: But it is not a safety issue. It is not that you could not do that because the CAA would not approve it.

Inglis Lyon: The CAA would have to approve radar in the tower—

The Convener: Yes, I understand that, but there is no suggestion that the CAA would not approve it as an approach.

Inglis Lyon: As a concept, the CAA—

The Convener: You have chosen not to do it, for a different reason.

Inglis Lyon: As a concept, the CAA will consider radar in the tower.

The Convener: Did the report from Helios dismiss radar in the tower as being unacceptable to the CAA?

Inglis Lyon: I would need to come back to the committee after—

The Convener: Maybe you could come back to us on that one.

Inglis Lyon: I will do.

The Convener: You said that the project was on time and on budget.

Inglis Lyon: I did.

The Convener: But we have been informed that the costs of ATMS are spiralling and that there are worrying similarities with the recent procurement of two lifeline island ferries.

What is the expertise on the board with regard to managing a project such as this? There are two more relevant questions. Does the board have expertise in this area of work? I do not know what the membership of the board is. Are there board members who live in remote and rural areas and who might have a perspective on the other issue that is playing into the situation?

Inglis Lyon: I will just paraphrase and repeat those questions, so that I am clear about them. One question is on the costs, and whether they are spiralling out of control. The second is on the level of expertise, both on the board and, presumably, in the company. The third is about where members of the board live—

The Convener: That probably sounds a bit harsh, from my point of view. I am interested in the budget and in the scale of expertise on the board. As you will understand, there are anxieties about

what has happened with two lifeline island ferries, so we are looking for reassurance.

Inglis Lyon: I understand that.

The Convener: More fundamentally, we are looking to address the question of the gap between you saying that you are on time and on budget and our being informed that the costs of ATMS are spiralling.

Inglis Lyon: My previous comment was not intended to be harsh, convener—thank you for the clarity.

The Convener: Likewise.

Inglis Lyon: Thank you. The costs just now—both the revenue and capital costs—are on budget. In its report, Helios identified costs of approximately £28.4 million. Beside those costs, it listed what was included in the costs, and what was excluded from them. We took a figure of £29.2 million to the Transport Scotland investment decision board. On top of that, we had placed a contingency figure of £2.9 million.

Following discussions at the decision board, the contingency was increased, and the overall budget for the programme is now at £34.7 million. That is the original Helios amount, plus a little over £5.5 million of contingency.

The Convener: Thank you.

Maurice Corry (West Scotland) (Con): The committee understands that the air traffic system primary surveillance equipment, which is radar, was not included as part of the original proposal for ATMS. However, it has subsequently been added to comply with CAA requirements. Was primary surveillance included in the original plan? If not, what were the additional costs associated with ATS primary surveillance equipment—radar—procurement and its subsequent on-going running costs? That question may be for Mr Lyon.

Inglis Lyon: The original Helios report did not include primary surveillance. Helios preferred the use of new and emerging technology—something called automatic dependent surveillance-broadcast, or ADS-B. The CAA's position on ADS-B is that it is likely to adopt it as a method of surveillance going forward. ADS-B is markedly less expensive than primary surveillance.

Maurice Corry: I understand. Thank you for that reply, Mr Lyon. It is good to see you appearing before the committee today with your team.

Following on from that, has that requirement, and the additional cost, prompted a rethink at all, in any way, by the HIAL board?

Inglis Lyon: Do you mean the fact that we are looking at the alternative surveillance technology?

Maurice Corry: Yes.

Inglis Lyon: The alternative surveillance technology dovetails with the type of facility that we intend to pursue and the option that we are pursuing.

Maurice Corry: There are no potential alternatives in the pipeline that have thrown up any queries from the board or been presented to them.

Inglis Lyon: No.

09:45

Tom Mason (North East Scotland) (Con): Your mission statement says that you want

“To create social benefit and economic prosperity by building Scotland’s sustainable regional airport group of the future”.

How will the ATMS project achieve that for remote and island communities?

Inglis Lyon: There are two parts to that. The first relates to what we set out as the strategy, which is to provide a foundation for continued air services in the Highlands and Islands for not just the medium term, but the long term. I will give some background, so that you understand the context and why we have taken our decisions.

As early as 2014-15, we experienced significant issues in providing our published opening hours. In 2014, for example, there were more than 170 occasions in Stornoway when we could not do that. More recently, before Covid, we experienced the same issue—not necessarily just in Stornoway, but across the network.

By adopting a model that provides resilience—being based in the centre will allow us to layer in different levels of resilience—we will be able to give assurance that air traffic control will continue throughout the Highlands and Islands over the medium to long term, thus providing the foundation for continued air services. If we do not do that, we cannot give that assurance to our customers—the airlines that use us—or to passengers, so it is vital that we are able to deliver that level of resilience.

Tom Mason: The committee has received evidence that demonstrates that the air traffic control workforce in remote and island communities is stable. However, significant concerns have been raised about the instability in that workforce in Inverness, where all efforts are now being concentrated. In that regard, it seems that the ATMS runs counter to the Scottish Government’s commitment to sustaining island and remote communities, and that it will potentially undermine the resilience of the service in the future. What is your response to that?

Inglis Lyon: Pre Covid, our air traffic control staff turnover level was 5.9 per cent, which is twice the industry average. By adopting the new technology and basing the facility under one roof, we will be able to continue to attract staff to the centre, and to retain them to provide resilience. If we can move from a turnover level that is twice the industry average to one that is below the industry average, that will put us in a decent place to continue to deliver connectivity.

Tom Mason: We understand that an islands impact assessment was commissioned. What did the assessment conclude? Do you have all the information?

Inglis Lyon: Thank you for asking that. We commissioned an islands impact assessment that was undertaken by a local consultant who is independent of Highlands and Islands Airports. The same consultant has worked for the northern isles—Shetland and Orkney—and the Western Isles, so he is a well-kent face, as we say in the north. He produced a draft of the report, and the final report has now landed on my desk. The report will be taken to the board on 24 February and the intention is that it will, following the board’s consideration, be published.

The Convener: Have you finished, Tom?

Tom Mason: Yes.

The Convener: Good—thank you. I will follow up on that briefly. Can you confirm that the islands impact assessment considered the impact on jobs in the local communities, where the work would perhaps create a hub that would generate more jobs around it, thereby stabilising employment opportunities for the islands?

Inglis Lyon: Speaking from memory, I say that the scope of the islands impact assessment, which was formed after discussion with the islands team, included identification of areas in which particular policy could have an impact on an island community that would be different from the impact on a mainland one, and identification of appropriate mitigations, where possible. The assessment would pull out such issues. The session that will follow today will go through that assessment.

The Convener: So, the assessment would look at the impact of your proposal, as opposed to considering it from the point of view of how more employment could be generated. I understand that Highlands and Islands Airports Ltd is a wholly owned subsidiary of the Scottish Government. If it had a policy of encouraging high-quality skilled jobs in remote and rural areas, would your proposal be looked at from that side, rather than the other way round?

Inglis Lyon: The assessment would look at the impact on the community. Without having read the draft that is currently sitting in my inbox, I cannot answer the rest of your question, convener. I need to come back to you on that.

The Convener: Was that factored in by the board in its original discussions on options? The original option looks to me as though it was a centralising proposal, albeit that that would have been centralisation within the Highlands. At that stage, would there have been a discussion about the impact on work in remote areas being centralised to Inverness?

Inglis Lyon: There was discussion of that. One of the reasons for commissioning the islands impact assessment was to identify the mitigations that we could pull into the process.

Gail Ross (Caithness, Sutherland and Ross) (SNP): Good morning, panel.

I will ask this question of Inglis Lyon. In your submission, you dispute that HIAL has not engaged sufficiently with staff, and you say that not agreeing with the proposal is not the same as not engaging. However, the committee has received several written submissions from experienced staff who feel that their concerns are being ignored. They have had to provide those submissions anonymously, because they fear disciplinary action. What does that say about your engagement with staff and how they feel at the moment?

Inglis Lyon: I am very happy to come back to the committee to provide the dates on which meetings with staff have been held. Some were held with boards and others individually. Our staff have been forthright, honest and frank in giving their opinions on what we are doing right and wrong. I am therefore satisfied that our teams feel able to communicate with the company as and when they feel that they want to. I have also seen correspondence, which was addressed not to me but to others, from which I am aware that our communication channels are open.

I turn to the communications themselves. People have said that they told us that they think that we are doing the wrong thing—that we are going down the wrong path and, if we continue, what some of the things are that they would like us to consider. For example, we had early discussions with about relocation. Some people said to us, “If that’s the relocation policy I can promise you that nobody will come, because you are not looking at this thing in the round.” Therefore we had to put in place a relocation policy that says to folk who intend to relocate from island communities to the centre that that will be as trouble free and all encompassing as is practicably possible, and that they should not have

to worry about a single thing. A draft policy is now with the trade union—it went to the union last week.

When we went out to speak to people in the early days, some asked whether we would allow commuting. We said that that was a really good idea and that we would see how we could make that work, so let us talk about it. Again, in consultation with the teams, we have arrived at the commuting policy. What sits behind that policy is that for those who are being asked to commute—to travel back and forth—to work, it needs to be as trouble free as is practicably possible. I hope that that is the policy that is now with the trade unions. However, we will find folk who do not want to move from the islands, so we must ensure that we treat those highly valued colleagues exactly the same as we treat those who will relocate and commute. We will have discussions with individuals once we have identified who will relocate and who will commute.

On taking notice of what folk say, when two of the senior members of the team went out to brief the Benbecula team, they came back with the suggestion that because we will have more airports with aerodrome flight information service operations as opposed to air traffic control operations, there might be the potential to create a centre on Benbecula. That is what we now intend to deliver. There will therefore be, in effect, two training centres: one for the ATCO people in Inverness and one for the AFIS people on Benbecula. There will, therefore, be a centre of excellence for training on Benbecula. Pat Nolan is running that project; he will speak about it, if you want.

Gail Ross: Yes—I would like to hear about that.

Pat Nolan (Highlands and Islands Airports Ltd): I will expand on Inglis Lyon’s point on the aerodrome flight information officer centre of excellence on Benbecula. That project is running concurrently with the project to transition the service from ATCO to AFIS on Benbecula. It started in August last year and is due to conclude in April next year. When the centre of excellence is open, it will create a hub for management co-ordination of AFIS across six AFIS airports—the four existing AFIS airports, plus Benbecula and Wick. We will create two new full-time management-level positions in Benbecula—an AFIS manager for the AFIS function across the company will be based there, and an AFIS training manager will be based there to manage the activities of the AFIS centre.

From the AFIS centre, we will deliver all the training and development requirements for the company’s circle of 50 flight information officers. We will deliver all the maintenance of competency across the six AFIS airports and all safety-raising

activities will also be centred there—for instance, activities including safety auditing and compliance, maintenance of competency and occurrence investigation.

We envisage that within three months of the centre opening in April 2022, we will be in a position to deliver our first in-house flight information officer training course. It will be a comprehensive high-standard course that will meet our needs and the needs of anybody from outside the company; that is, any third party who wants to access the training in the future. That is an overall summary; I will be glad to take any questions on it.

Gail Ross: Do you have projected numbers for people going through the training centre? You referred to airports outside Scotland, but just six airports in Scotland will use the same technology, so I imagine that turnover of flight information service officers will not be huge. Will you have enough numbers to keep the training centre going?

10:00

Pat Nolan: As I said, it is not just about training; it is about delivery of training and maintenance of competency, which is a task in itself across the six airports, and involves every AFIS operator and meteorological observer, and includes all the safety oversight and safety activities.

To get back to the question of throughput for FISO courses, I say that there are several sizeable AFIS airports within the United Kingdom, and a sizeable number of them operate in excess of 30,000 movements a year. There is only one training provider in the UK, which is Global ATS. It provides an AFISO training course—for aerodrome flight information service officers—down south, at Cheltenham.

We will be the only organisation providing a comparable course north of the border. Not only that, but our training centre is based in an airport, which brings its own advantages. It is not just classroom training; there is the opportunity to provide students with enhanced familiarisation with the live AFIS environment, which Global ATS cannot do at the moment.

As we develop our course and as we develop the simulation package to match it, we will refine it, and we will deliver it to our own people initially. The course will become quite a marketable product.

Gail Ross: How long does it take to train an operative?

Pat Nolan: The course that we currently avail ourselves of is the Global air traffic service course in Cheltenham. That is a three-week course, which

is followed by a two-week met observer course. We would not aim to deliver the exact same course; we would aim to take that course as a model and review it in accordance with our own requirements and with how we see AFIS developing across the industry.

Our course will be longer—I can guarantee that—because we will be adding a further element of simulation. We are going through the process of course design at the moment. We are thinking about a course of around five weeks, plus a two-week met observer course, which will be delivered by a met training provider.

Gail Ross: Will accommodation be provided for the training operatives?

Pat Nolan: As I have said, we have 50 AFISOs in the company. We train up roughly eight or nine new AFISOs every year. We will start bringing in refresher training for our 50 AFISOs—not in year 1, but in year 2. That is a beyond-compliance requirement, and it is not a requirement for FISOs, but we want to start developing our AFISOs.

The footfall on Benbecula will increase significantly in any event, even without third parties availing themselves of the course. We do not have the exact footfall yet, but we will be working on that as we proceed. People will be staying over on the island, so there will be demand for accommodation, rental cars and catering as well as social events. The centre of excellence will also be used in future for other HIAL events, such as board meetings or AFISO annual general meetings. We might offer to host something like the AGM of the Association of UK Flight Information Service Officers there. There will be increased footfall due to the centre of excellence and its activities.

Gail Ross: If you will indulge me, convener, I have one final question on this topic. It would be remiss of me to let this go or not to ask about it. This is nothing against Benbecula, but why Benbecula and not Wick for the centre of excellence?

Pat Nolan: I will start with the most obvious reason. We currently have four AFIS airports clustered on the Western Isles. When Benbecula comes online, we will have five AFIS airports there. Wick is geographically located at somewhat of a distance. From a business point of view, it makes more sense to centre the hub where the cluster of airports is—where there are five airports.

That is not to say that Wick will not be centrally involved in the centre of excellence. The model that we will have at both Benbecula and Wick airports is quite different from the model that we have at our existing four AFIS airports. That is because the airports will retain their full suite of instrument approach services and their full suite of

air traffic control systems, including full voice communication systems, semi-automatic weather systems, automated flight information systems and so on—I do not want to bore you about it.

The airports will also be staffed by a full-time team of AFISOs with a dedicated unit manager. They will have an enhanced skill set, in so far as the AFISOs at Benbecula and Wick will be, in effect, the instructors and competency assessors who operate from the new centre. That means that the new centre will call on the resource at Wick, which will provide ideal opportunities for the new AFISOs at Wick to develop as trainers, competency assessors, investigators and auditors. Wick will be centrally involved, so you can expect staff from Wick to supplement the staff at Benbecula—from time to time, as required—in the new centre of excellence.

David Torrance (Kirkcaldy) (SNP): Good morning. HIAL previously outlined a summary of the

“detailed programme of studies, reviews, and independent approvals”

that has been undertaken since December 2017. It also highlighted that the Scottish Government’s internal audit and assurance directorate was due to provide a “further independent review” and

“an objective ‘health check’ on the programme”

in January 2021. Can you provide an update on that work?

Inglis Lyon: Yes. We received the report yesterday, and it will be given to the board on 24 February. I would rather have let the board hear that first hand, but we have received the report. I am happy to discuss it or to provide the committee with feedback afterwards.

David Torrance: Concerns have been repeatedly raised about the resilience of the communications infrastructure that underpins the project. The petitioners state that not even HIAL-commissioned reports give firm assurances that robust enough communications exist or indicate how much it would cost to install links to comply with the Civil Aviation Authority’s safety requirements. Given how critical communications are to the success of the ATMS, what enhancements are required to the infrastructure, and how will they be delivered as part of the project?

Inglis Lyon: Gary Cobb is dealing with the communications infrastructure part of the project, in addition to running the project in the round, so I ask him to answer that question.

Gary Cobb (Highlands and Islands Airports Ltd): HIAL has to meet the requirements of the CAA, which is the regulator, in order to hit

communication. The CAA normally asks for three connections, or three groups. Aiming to protect the final mile, we can hit those three routes, and there are two routes off the island—north and south—depending on which island or location we are talking about.

We are doing a proof of concept in Sumburgh, which will inform some of the costs. It is a bit early to say what the exact costs will be, but all our indications are that they will fall within the budget that we have set. More detailed work will take place next year to confirm the costs.

On top of that, we are still going through the down-selection process for the provider of the remote tower technology. We are down to four possible providers, and we are getting it down to one. Some of the requirements will depend on which of the four is successful in the tender, because that will drive some of the requirements. Everything that we are seeing suggests that we can do the work within the budget that we have set.

Gail Ross: It has been suggested that changing the current system at Wick and Benbecula airports to an aerodrome flight information service will lead to less flexible provision of air traffic services, and that the airports will no longer be able to deal with several aircraft simultaneously. In recent months, and since we lost the two commercial routes, very few aircraft have come into and out of Wick airport but, as Inglis Lyon knows, it provides emergency flights for the national health service and is used for oil traffic and by helicopters in the offshore wind sector. What is your view on the suggestion that Wick airport will no longer be able to deal with several aircraft simultaneously?

Inglis Lyon: The intention is that the changes will have no impact on our ability to manage current levels of traffic or potential further growth. For example, Sywell aerodrome in Northamptonshire handles 30,000 movements per annum, and Barton airfield in greater Manchester handles closer to 50,000. I will bring in Patrick Nolan—just for five minutes—to talk through how we will operate those aerodromes, because it is important that you hear that part from the expert.

Pat Nolan: Yes, I will pick up on that. Inglis Lyon has just given the example of two airports down south that handle considerably more movements than either Benbecula or Wick safely and efficiently.

The question centred on Benbecula. Traditionally, Benbecula handles fewer than 4,000 aircraft movements per annum, of which a significant number are not scheduled flights. In general, the existing flight schedule is deconflicted almost by default—as you know, there are not a large number of scheduled flights on a daily basis.

That said, there are certain occasions on which flights can conflict by virtue of their concurrent nature—in other words, because a flight is running late or early—or because a flight that is flying under an instrument flight rules flight plan requests to use the airport on a non-scheduled basis.

Our intention is to introduce a range of additional mitigations at both airports, including the introduction of a slot allocation system, which is currently used at our other AFIS airports and which will ensure that scheduled flights—and non-scheduled flights—are deconflicted by means of scheduling.

We will work with Loganair, which, as you know, is our main operator at Benbecula, with other stakeholders, including the emergency services, Bristow and Gamma, at both airports, and with the local operators to ensure that scheduled flights will be deconflicted through the agreement of scheduling in conjunction with the slot allocation system. Based on the current and projected schedules, HIAL, Loganair and the emergency services do not envisage that the introduction of a slot allocation system at both airports will have any meaningful impact on scheduled flights.

I will wind up with an example. If the slot allocation system that we use for scheduled flights at our existing four airports was introduced to Benbecula in the morning, we would have around 57 slots per week for aircraft that were flying on an IFR flight plan—that includes scheduled flights and large charter flights. There would effectively be no impact if we introduced that in the morning, because, based on the 2019 figures at the airport, when we were running on normal figures, pre-Covid, only 22 of the 57 available slots were used. That means that, if we were to introduce that system in the morning, we would still have 60 per cent of the capacity to facilitate either additional scheduled flights or non-scheduled flights.

Furthermore, the intention is to install a surveillance-based flight information display system at both airports, which will provide the new AFISO team with enhanced situational awareness and thereby the ability to provide more prompt and accurate traffic information.

I will just summarise by saying that, right now, we do not envisage that there will be any meaningful impact on scheduled flights at either airport.

10:15

Gail Ross: I will follow that up. Before the Loganair flight from Edinburgh to Wick was pulled, I used it every week to get to Parliament. It was no small feat by the staff at Wick airport that there were very few weather delays in winter. You would think that that would be the time when it would

happen, but it tends to happen more in the summer, when we get the haar coming in from the sea. How would slot times be affected if, as happened quite often when I travelling from Wick, the pilot had to wait for a weather window?

Pat Nolan: The decision on whether to conduct a flight in poor or marginal weather conditions rests, in effect, with the airport operator, their operating procedures and, on a more tactical basis, the pilots themselves—and that is the case on all occasions. It is not really influenced by whether the air traffic service at an airport is an ATC service or a flight information service. However, the type of instrument approach at the airport and the minimum descent altitude for that particular approach, in association with the airport's low visibility procedures, are important.

Our expectation is that both airports—so this includes Wick—will retain their full suite of instrument approach services and operate their in-house low-visibility procedures. Therefore, we do not envisage that the delays that occur as a result of poor weather will change in any way, whether it is an ATC service or AFIS.

Gail Ross: I am talking about slot times. Let us say that a plane is due to leave at 10 o'clock in the morning and the weather is forecast to clear at 2 o'clock, but that 2 o'clock slot is taken up by another service coming in or going out. How will that work?

Pat Nolan: I apologise; I misunderstood your question. At Wick, the new aerodrome flight information service will provide a service out to circa 10, 12 or 15 miles. Outside that, a new joint radar sector for Kirkwall and Wick will be introduced, which will be provided from the new combined centre in Inverness. Therefore, there will be a level of flexibility at Wick that there might not be at some other airports, in so far as that radar service can effectively sequence traffic—which comes into its own in poor weather conditions—and hold traffic. They will continue to be in receipt of a radar service until such time as the weather is suitable for them to shoot an approach to the airport.

There are a lot of additional facilities in Wick, because, as the member will know, at the moment, it is a procedural-only air traffic control unit. In future, although the airport itself will change from air traffic control to AFIS, the environment immediately around that airport will move from a procedural service to a radar service, which brings on board huge advantages from the point of view of safety, flexibility, efficiency and so on.

Gail Ross: Is it or is it not a possibility that the slot times will lead to delays or cancellations, or

will it improve the service, resulting in fewer delays and cancellations than we have seen before?

Pat Nolan: I will answer that by coming back to the first point, which is that the decision on whether to land at or depart from an airport in poor weather comes down to an operator-pilot decision. I give the caveat that, of course, the normal delays as a result of weather will not be reduced by the introduction of AFIS, but I do not think that they will be increased by the introduction of AFIS. I say that because, although there is a slot allocation system, there is a lot of flexibility and capacity within the system to facilitate aircraft that might be running late or which have to reschedule. I am sorry if we are going around in a circle on that, but I do not think that we will see a significant difference.

Gail Ross: I will ask Gary Cobb for his take on that, as I believe that he was asked the same question at a previous meeting.

Gary Cobb: I am happy to answer. My view is the same as Pat Nolan's. My experience prior to HIAL was at Gatwick and, as all the large airports in the United Kingdom are slotted, I am well used to working with slots and the flexibility that they provide. As Pat has said, there is enough capacity in the system to mean that slots will not have any impact on the flexibility at Benbecula and Wick airports. Weather delays will occur, but a change of service from ATC to AFIS will not have any impact on that.

Gail Ross: I have a final question, which is about approved operators. How do you become an approved operator? Some of the traffic that we get in Wick is for refuelling or other services. What happens if they are not an approved operator?

Inglis Lyon: Gary, will you pick up those questions?

Gary Cobb: I will pass them to Pat, because he has a lot of experience of talking to approved operators. We have control over who becomes an approved operator; perhaps Pat will expand on that.

Pat Nolan: The concept of approved operators came about when the four existing AFIS airports in the Western Isles came into being. They were unique in having scheduled traffic and using instrument approach procedures, and we had to put in place additional safeguards to support safety overall. One of the safeguarding mitigations was that only approved operators could use an instrument approach.

Over the past two decades, we have proved that those services run safely and efficiently—we have had very few incidents—so we are in the process of removing the requirement for approved operator status. We feel that that is no longer fit for

purpose. We briefed Far North Aviation on that recently. In answer to your question, the requirement for approved operators will be removed in the coming months.

Rhoda Grant (Highlands and Islands) (Lab): Many of my questions have been answered, but I have a number of follow-up questions. I hope that nobody minds if I move about between subject areas.

At the start of the meeting, we were told that radar in towers is not considered as a surveillance option because it requires towers to be manned. Can I get confirmation that, from the very start, this was a project to centralise air traffic control?

Inglis Lyon: It was not a project to centralise air traffic control. Helios was asked to undertake an independent assessment of the options that were available, and it put forward the option of building the centre.

The centre allows us to layer the levels of resilience. For example, a control tower with six people controlling air traffic seven days a week carries with it a level of resilience, but that level is low. However, if a facility has individuals who are trained to manage two airports, that starts to layer up the level of resilience. For example, we could have an individual controlling traffic at Inverness airport on a Monday and Tuesday, and controlling traffic at Kirkwall airport on a Wednesday, Thursday and Friday. That would help to manage recruitment, retention and staff sickness issues, and it would build in a level of resilience that does not currently exist in the network.

As second point, which is linked to that, is about what comes with the centre. The centre will function in and of itself but, to provide resilience, there will also be a contingency centre, which will be a small building that will allow operations to continue in the event that something goes wrong at the centre.

The third level of resilience, which is what we are talking about, is the requirement for us to have redundancy built into the system—for example, in the event that one of the feeds fails, there is a back-up and in the event that that back-up fails, there is a further back-up. It is about layering in that level of resilience across the network.

Rhoda Grant: How many back-ups are needed for the technology? How many back-ups are available at each of the airports involved? My understanding is that there is one, when there should be four.

Inglis Lyon: The CAA has set no minimum quantity for back-ups; the CAA will be provided with a safety case that sets out our rationale for how we provide the back-ups.

I ask Gary Cobb whether he wants to add anything.

Gary Cobb: I would like clarification of the question. Which back-ups do you mean, Ms Grant?

Rhoda Grant: Those for communications. You need to be able to communicate with the remote towers. My understanding is that you should have four back-ups available if your primary communication route fails.

Gary Cobb: Do you mean currently, or in the future with the remote tower?

Rhoda Grant: It is not available now.

Gary Cobb: Yes. By putting in the technology, additional fail-safes become available to us. As I mentioned in my previous answer in relation to communication, we have options. For example, in Sumburgh, we would have a fibre connection that would go to an exchange and we would then have the option of fibre radio links to different exchanges, and the option of copper wires. We would look to mimic that across all the locations.

With subsea connections, multiple routes are available, even if it involves going into northern Europe and back round. The technology exists to do that, and we have seen that with some of the other remote towers in the industry.

The back-ups and safeguards all form part of the safety case. There seems to be a misconception that what we are doing is massively cutting-edge and that we are blazing a trail that is not usually done. The regulatory framework for remote towers has existed in Europe since 2015 and the European Union Aviation Safety Agency was the governing body for safety for the UK.

In the UK, we need only look at London city airport, where the new system is almost due to come online. That is an extremely complex aerodrome, with a capacity of 5 million passengers, and above it is the most complex air space in the world. There is no busier TMA—terminal manoeuvring area—than the London one. Therefore, in terms of intensity and the back-ups that are required, the regulatory framework exists and we can conform to it.

Part of the safety case will be considering the technology. I refer to paragraph 3 of the CAA's response, which states:

“to date, the CAA has no major safety concerns”.

We have involved the CAA quite a lot and we will continue to do so, as it is the ultimate arbiter of safety, connectivity and cybersecurity—all that falls within the CAA's remit. We have lots of detailed conversations and at the moment, the CAA is not seeing anything—

Rhoda Grant: I will cut you off, because that is interesting, but it does not really answer my question. My question is: are you going to lay subsea cables to allow resilience in the system for communication?

Gary Cobb: No. I do not believe that there are plans to lay subsea cables.

Rhoda Grant: So, each airport will be dependent on the main connection that is in place at the moment. Therefore, if that fails—

Gary Cobb: I believe that there are multiple connections off, for example, Sumburgh, so you can go through northern Europe or you can go south to the mainland.

Rhoda Grant: What about the Western Isles?

Gary Cobb: I would have to get back to you on the details for those. Again, I believe that multiple options are available there, but I do not have the exact details to hand so, if possible, I will come back to you on that point.

10:30

Rhoda Grant: It would be good if you could let the committee know whether back-up is available for each of the airports.

I turn to the finances. Inglis Lyon said that the cost was initially going to be £28.4 million but that, because of contingencies, it has gone up to £34.7 million. My understanding is that the original cost was £18 million.

Inglis Lyon: That is not my understanding. In the Helios report, the original cost was stated to be £28.4 million.

Rhoda Grant: Okay, but before the Helios report was it not £18 million?

Inglis Lyon: I am not familiar with that. I would need to come back to you on that.

Rhoda Grant: You spoke about ADS-B being included in the cost. If the CAA does not sign that off and asks for primary surveillance, what will be the additional cost?

Inglis Lyon: Without the process having gone to tender, I would be guessing, but I expect that the cost would increase if ADS-B were not adopted.

Rhoda Grant: By roughly how much? Would it be £1 million?

Inglis Lyon: As I say, without the process having gone to tender, I would not like to speculate. The cost could increase if the ADS-B technology is not adopted, but that is not our understanding of where things might end up.

Rhoda Grant: I turn to staffing, which seems to be the reason for centralisation. You have talked about there being a 5.9 per cent turnover in air traffic controllers. However, when Pat Nolan spoke about FISOs, he said that there were around 50, and that eight or nine require to be recruited and trained per year. To me that, represents a turnover of 18 per cent in FISOs, which is quite a bit higher than the 6 per cent for air traffic controllers.

Inglis Lyon: The FISO complement is made up of two categories. Some accommodate FISO operations within other jobs. For example, we have firefighters who are also FISOs and who maintain their firefighting competency in addition to their FISO competency; other FISOs are full time. People tend to pick and choose their times for dropping in and out of the FISO ticket, if I can put it like that.

Rhoda Grant: Okay, but there is a much greater turnover.

Inglis Lyon: You are not comparing like with like. ATCOs have a full-time role. However, for example, a FISO who is a firefighter at Kirkwall might undertake FISO duties until they become onerous for them and they drop that part, which means that we then go out and find someone else to take it over. We are not quite talking about comparing apples and oranges, but the two roles are not the same.

Rhoda Grant: You talked about the turnover of staff. You probably will not have this with you at the moment, but would it be possible for you to provide information on staff turnover for the past five years for each airport?

Inglis Lyon: I can do that.

Rhoda Grant: I would not expect you to have that in your pocket at the moment.

We understand from the unions that only 5 per cent of staff are willing to relocate. How will staff be redeployed? How will their replacements be recruited? If people do not move, what work will they do, given that there is a policy of no redundancies?

Inglis Lyon: From the outset, we have recognised that this is not a technology project; it is a change management project, which is being carried out in a fantastically complex operating environment. Similarly, from the outset, we have said to folk that some of them will have to relocate to the centre in Inverness because, unless we build a resilient operation there, our ability to provide air traffic services in one of Scotland's essential pieces of transport infrastructure will be compromised.

To get to that point, some folk will have to relocate or commute and we will have to recruit more folk. Some folk will decide to stay on the

islands and, as for everybody else who we employ in the organisation, we will do everything practicable and within our powers to help them to find the right solution. We will have those discussions, which will include the trade union representatives of those folk, once we have concluded our discussions on relocation and commuting policies.

We first have to understand the numbers that are involved. You quoted 5 per cent, but our understanding is that the number is a little bit more than that. We need to find out how many people will relocate or commute, and then we can start discussions with and find the most appropriate solution for those who are going to stay where they are.

Rhoda Grant: If only 5 per cent of them wish to move—even if that is doubled to 10 per cent—it seems like a huge risk coming over the hill.

I turn to the islands impact assessment. A number of staff members have told me that they have been told that the changes are happening regardless of the outcome of the assessment—it will make no difference. What difference could it make?

Inglis Lyon: I have not yet read the islands impact assessment—that is a job for later today, and it is a job for the board to discuss it at its meeting on 24 February.

So that we are all on the same page, I note that the islands impact assessment is independent and that its scope was developed after discussions with the islands team. It was done that way because the consultation on how to carry out an islands impact assessment has only just been finished, so detailed guidance was not available to us. The document that, I hope, will land in your inbox after the board's meeting on 24 February will identify the mitigations put forward by the consultant who is involved. I am confident that the assessment will do exactly as is intended within the scope of the Islands (Scotland) Act 2018.

Rhoda Grant: Gail Ross asked about the downgrading of Benbecula and Wick airports, but I have a few more questions on that. What are the cost savings of the programme? Benbecula and Wick have been downgraded, but what would be the programme and running costs of the new scheme if they remained as they are?

Inglis Lyon: HIAL controls traffic in two ways: air traffic controllers and airport flight information services. At Benbecula, both are used. The proposal is to extend the time during which airport flight information is practised.

Pat Nolan has explained to you that, provided that the Benbecula centre goes ahead, there will be a net increase in staff numbers of

approximately two individuals, so there will not be a cost saving in revenue as a result of introducing the centre.

Rhoda Grant: What about capital costs?

Inglis Lyon: The intention is to invest in facilities there—buildings and simulators—and that will more or less match what would have occurred under the air traffic management strategy.

Rhoda Grant: Staff have told me that, since the decision was made to downgrade Benbecula, on more than one occasion, they have been requested to provide operations and staffing information that they can only describe as retrospective. It seems to me that the whole picture was not in place when the decision was made. Is that correct?

Inglis Lyon: I could not say. I do not know what information you have in front of you.

Rhoda Grant: Staff are saying that, after the decision was made, they were asked for information that they believe should have been taken into account in making it.

Inglis Lyon: When Gary Cobb, who is the other chap on the call, was appointed to the position of chief operating officer, he was dispatched by the board to Benbecula to carry out a cold case review of the decision that we had taken. He was there to assess that decision independently. I am happy for him to speak for himself, but I point out that he came back and confirmed that the decision to move from air traffic control to extending the hours of AFIS operations had been appropriate.

Gary Cobb: I was lucky in that, when I came in, the board gave me free rein to go and look at the decision that had been made about Benbecula. People have said that there has been no engagement, and that the staff at Benbecula had said that they were unhappy. I went out to meet them and listened to all their concerns. I had a look at the case that had been built for service change there and listened to all the concerns that were against it. I then went away and had a look at the facts. A lot of what I found could probably also be found in the CAA's response, which is that the situation in Benbecula involves low-complexity and low-density airspace; that an extension of service would not have any material impact on safety; and that an AFIS airport would be an appropriate level of service there.

We carried out lots of engagement. In building a safety case, an extremely comprehensive document has to be produced, which goes into a lot of things that happened in the past, including many situations and scenarios. Some of the information that is being asked for is more to help to provide evidence for a safety case, such as to determine whether mitigation is needed. It will not

be involved in any of the decision making per se; it is mainly evidence that would be built up around a safety case. That is pretty common. We would scan back for potentially five or 10 years, just to have a look at scenarios and situations that have occurred.

Rhoda Grant: I assume that you would have looked at the missile range there, which is operated by QinetiQ on behalf of the Ministry of Defence and with the North Atlantic Treaty Organization.

Gary Cobb: Yes.

Rhoda Grant: What impact will the proposal have on its operations and use of the airfield?

Gary Cobb: The danger zone adds a slight complexity to the situation in Benbecula. However, at the moment, it does not have surveillance, so a lot of the control of the aircraft there is done by the National Air Traffic Services controllers who cover the QinetiQ range. Although the communication is done through our air traffic controllers, it is initiated through surveillance that is picked up through QinetiQ. We are in discussions with QinetiQ to find a mitigation for how that could be done. However, from the conversations that we have had, we do not foresee it being a problem for us to resolve that.

Rhoda Grant: So you have made the decision, yet one of the biggest employers and operators in the area is still in consultation about how its impact could be mitigated.

Gary Cobb: No. What I said was that we are in conversation with it on the safety case for the procedures and protocols that would be in place when the danger zone is activated and deactivated. We consulted QinetiQ at the very start, and such consultation continues to discuss the available options and how the safety case can be built. Built safety cases can be multiagency and need to involve all parties. QinetiQ will be built into this safety case, which is why consultation is still on-going. There are many different routes and answers as to how we might do it, but we will find the optimum and the safest.

Rhoda Grant: I turn to the downgrading of Wick. A couple of years ago, it was incredibly busy with oil traffic because, when helicopters could not fly out of Aberdeen, they all needed to move to there. If that were to happen again, could Wick cope?

10:45

Inglis Lyon: Yes, Wick will be able to cope. This is slightly outwith the scope of the committee, but there is an amazing opportunity for Wick, given the money that the Scottish Government has provided for the public service obligation routes. If

there is good partnership working between Highland Council, the Nuclear Decommissioning Authority and the Scottish Government, Wick will have a fantastic future, but we all need to work together to get that over the line.

Liam McArthur (Orkney Islands) (LD): Good morning. Like Rhoda Grant, I am conscious that a lot of the areas that I wanted to cover have been covered, so I will approach them in a slightly different way, taking into account what Inglis Lyon and his colleagues have said.

Rhoda Grant made the point that there is grave concern—this is certainly the case in my Orkney Islands constituency—that the island impact assessment is an exercise in going through the motions and that little will change as a result of it. Almost irrespective of what the impact assessment says, the fundamental fact is that the board has signed off a project that will strip roles and jobs from the islands, and no amount of retrospective island impact assessments will change that. In a sense, that brings the whole process of island proofing and island impact assessments into disrepute. How do you respond to those concerns?

Inglis Lyon: The genesis of today's discussion was a series of circumstances that look place over a number of years and culminated in a very poor performance at Stornoway in 2014. From then, a number of discussions culminated in the appointment of Helios to produce an independent report, which led to our pursuing the option of having the centre in Inverness.

From the outset, and during the consultation period, we were clear with most folk that the project will involve the relocation of some jobs from the islands to the centre. Failure to build in that level of resilience and to layer the different levels of resilience in the project over the medium-to-long term would mean that we would not be able to provide the required level of air traffic control or the foundation for it, and we would not be able to get an assurance on air traffic control. All the good work that we are doing up in Orkney—of which you are aware—through the sustainable aviation test environment programme and the good work that we do with airlines to encourage them to use larger planes, more frequency and so on will come to nought if the company does not have air traffic controllers to manage the traffic.

The project is very much about future proofing essential transport infrastructure to, from and within the Highlands and Islands and giving operators and passengers the assurance that aircraft will continue to fly.

Liam McArthur: You referred to recruitment and retention issues driving the project, and you

have regularly returned to those issues in our discussions. The truth is that, although there were certainly retention issues at Stornoway airport for a period, the biggest area of concern relating to recruitment and retention is Inverness, which is where you are looking to relocate and centralise the services. The local recruitment that HIAL has undertaken in the past has proved to be enormously successful, but that is downplayed in the evidence that HIAL has produced—notably in the EKOS report—as a footnote. The recruitment and retention on the back of that programme exemplifies what HIAL should have continued to do over recent years. It would then have been able to address the challenging issues that I do not doubt it faces, as do many other employers in the Highlands and Islands. However, centralising the roles in Inverness will give rise to recruitment and retention problems that are different from but equally significant to those that already exist, as we are already seeing.

Inglis Lyon: In my opening remarks, I spoke about how the pandemic has highlighted the fragility of current practices. Recruitment—and recruitment in Inverness—is a good example of that. At the moment, on paper, we have sufficient bodies in the control tower, but seven of them are trainees and, due to the pandemic, we have not had sufficient airspace over the past year to get them trained and we cannot get them close enough to controllers to carry out their controlling duties. That is not exceptional to Highlands and Islands Airports; it is happening across the industry. God forbid that we ever go through this again, but the new centre will be designed and built in such a way to ensure that, if we do, we will be able to maintain the training of trainees. The pandemic has highlighted the fragility of the current model.

Liam McArthur: The pandemic has been cited as the justification for doing all manner of things, but we are not doing those things at the moment. However, recruitment and retention issues in Inverness pre-date the start of the pandemic.

What reassessment of the proposals has been undertaken as a result of the pandemic? In your opening remarks, you suggested that the project is on schedule and on budget. However, we have already heard that, to your mind, there has been an increase from £28.4 million to £34.7 million, which is more than 22 per cent. In the discussions that I had with Ross McAllister, who is taking forward due diligence on the programme, he talked about an increase of £18 million to £20 million—Rhoda Grant referred to those figures—which represents a 75 per cent to 90 per cent increase in the budget. I am not entirely sure how that constitutes being on schedule and on budget.

We have seen a requirement for primary radar and an indication that additional communication links will be required and have been pressed for by the CAA. What confidence can we have that the project will be on schedule and on budget, and that the impact that the pandemic has undoubtedly had on air services and the aviation sector more broadly is being factored in by you and the board as you take forward the proposals that your consultants, Helios, identified as the costliest and riskiest option?

Inglis Lyon: Various airline and travel bodies put recovery from the pandemic as happening sometime between 2024 and 2025, which will largely be dependent on the vaccine roll-out and all the associated infrastructure that goes with it. They are all minded that the domestic markets will recover quickest.

Of the nearly 2 million passengers that Highlands and Islands Airports handled pre-pandemic, only a small number—fewer than 150,000—came in internationally, on British Airways or KLM flights, so the vast majority of our passengers are domestic. Based on the domestic market recovering first and the entire market recovering by 2024 or 2025, the intention is still to proceed with the roll-out. If things change materially because of unforeseen circumstances, we will of course look at the issue again but, at the moment, given the timelines, the intention is to proceed as is.

On the budgeted figure, Helios identified costs that were inside and those that were outside, which is why a contingency has been allocated. The contingency was agreed following discussion with Transport Scotland's investment and decision-making board; we had allocated too little contingency and they recommended that we allocate more.

Liam McArthur: Notwithstanding what you said about the likely return of the domestic market ahead of the international market, which I can entirely understand the logic behind, does it still make sense to proceed with the option that Helios has accepted is the costliest and riskiest option, as opposed to looking at options such as radar in each of the towers, which the CAA has suggested that it is content to consider, along with any other option, and which would not involve the sorts of costs that we are looking at in the centralisation package?

Inglis Lyon: Having identified a significant risk to that piece of Transport Scotland's transport infrastructure, it is important that we deliver with good haste a solution that will ensure that we can give the assurance to airlines and customers that we have a foundation for air traffic control not only for tomorrow or the next five years but the next 15 to 25 years.

Liam McArthur: I will check the *Official Report*, but I do not think that we have been given any estimate for the communications costs. Those discussions are on-going. Is there a price that HIAL will not be prepared to pay for taking that forward? Are we so far down the track now that, in a sense, any further increases in the budget will simply have to be absorbed because we are in too deep?

Inglis Lyon: We have set what we consider to be a prudent budget and, barring unforeseen circumstances, the intention is to deliver that programme within the budget. The programme is complex and long, and we understand that, but the intention, with the resources we have available to us, is to deliver that programme on time and on budget.

Gail Ross: I will finish up with a question about the staff. Why do you think that staff are so against the proposal if, as you say, it will provide improvements and a training centre and if you have had engagement with them? To my mind there are huge issues here, notwithstanding that staff feel that their trust has been broken. Why do you think they are so against the proposal, and what can HIAL do to get the staff's trust back? That is hugely important.

Inglis Lyon: The project has always been a complex change-management project; it is not a technology project. The technology has been well proven and has been used across the world. From the outset, we have been honest with folk about the fact that the project will require movement to the centre in Inverness—not for everybody, but for a large number of folk. Working on the trust part is about ensuring that we take away as many barriers as we can to the flexible approach that we are trying to introduce, whether that be with the relocation policy or a flexible approach to commuting, which are now with the trade unions. Then we get down to discussions with folk who do not want to move, and we are pulling every lever within our grasp to ensure that we deliver the right solution for them. The trust issue has many sides and many strands and it is about building those things up, which we are doing now in these—
[Inaudible.]

Tom Mason: The project is being implemented section by section, airport by airport, and one of the completion activities is the safety clearance from the CAA. That will probably be successful for the initial airports, with Benbecula and Wick being down the line. What happens if Benbecula and Wick are not approved and you are landed with a half-finished project?

11:00

Inglis Lyon: The indications from discussions that we have had at local level with the CAA about such projects are that all the steps that we have taken so far have been correct. As it has submitted in its evidence, the CAA does not anticipate any problems.

That said, what that means to us is that we have to set ourselves a high bar on standards and the safety case that we put forward. Working in a regulated industry is a very special and privileged place to be. If we do not do it right, the regulator will not allow us to do things—whether it be this project, runway design, the introduction of fast rescue craft in Sumburgh runway design or whatever else. The regulator sets a high bar that we have to achieve. That is a good place to be in, because at no point is there room for error, grey areas or misinterpretation. Our approach is, therefore, to go through a broad but thorough and detailed process. Such processes are layered up in the company, through various levels of governance, so that, at every point, everyone has the opportunity to say, “I agree that this looks okay” or not. Walking away is, therefore, not a position that I expect to get into, provided that we continue to follow the governance and safety processes that our organisation has had for a considerable time.

Tom Mason: But are you, at this moment, in a position to walk away from the whole project if it is not feasible or you cannot meet those high bars?

Inglis Lyon: If we do not deliver the project, we compromise an essential piece of transport infrastructure in the Highlands and Islands—involving the ability of airlines to fly and of passengers to travel throughout the region—so walking away from it is not on our agenda.

Tom Mason: But might it be on the Government’s agenda?

Inglis Lyon: I honestly do not know. You would need to ask the Government.

The Convener: I will make a couple of final points. On the first, which is underlined by what Rhoda Grant said, you might not be able to give the committee the information just now. Do you have a breakdown for staff turnover in Inverness and that on the islands? For example, if there were disproportionately high turnover in Inverness staff but staffing elsewhere was very stable, you might not be solving the problem, as you thought you would. It would be useful to have that information. The specific report that Rhoda Grant mentioned, which others highlighted, was the EKOS location options report. Perhaps it would be worth getting a further response on that.

You talked about the islands impact assessment report, which you have not yet read. However, I wonder whether that was in the mind of the board at any point. You said that, from the outset, it was clear that people would have to move. It was, therefore, clear that there was a strategy that would take high-quality jobs from remote and island communities into mainland Scotland. That is what has happened in the history of the Highlands and Islands. For example, my family left Tiree because there was no strategy for holding people on the islands. People were told, “We cannot possibly do these jobs anywhere else but central Scotland” and so the jobs were moved. We can see what has happened as a result of that in a number of places over a long period of time.

However, we now have modern technology and a commitment to sustaining remote and island communities. Given the available skill sets and the nature of communications technology, at any point did the board consider doing something other than centralising, which, frankly, has been the easy option for a long time? Ahead of carrying out the islands impact assessment, was there any point at which you wondered how good the strategy might be if it is predicated on taking good-quality jobs from remote and island communities? My understanding is that sustaining such jobs is the policy of the Scottish Government, of which HIAL is a wholly owned subsidiary. Did the board discuss that aspect at the very beginning, when you were looking at a project that, from the outset, said that jobs would have to move?

Inglis Lyon: I will make a couple of points. I am very happy to send the information on staff turnover, including the number of retirees, to give the overall picture.

The principal objective of the strategy that has been adopted is to maintain lifeline links and that level of connectivity. We want to ensure that services to Tiree and beyond continue for the foreseeable future. We look at things differently to try to arrive at appropriate and proportionate solutions. For example, after many years of uncertainty about how we would provide connectivity to Tiree—your ancestral home—Barra and Campbeltown, HIAL purchased two Twin Otters with Scottish Government funding. It was becoming increasingly difficult to find people who were willing to invest in such aircraft, so the Government sponsored the purchase of two aircraft that will last for the next 25 to 30 years. I accept that we need to take a long-term view on these very delicate problems.

The Convener: I recognise that the direction of policy has been towards understanding that such communities need high-quality jobs in order to be sustainable and towards delivering public services. However, my sense is that the assumption at the

outset that jobs will have to be centralised is a mindset from the past, and I wonder whether that argument needs to be tested a little more.

I see that Maurice Corry wants to come in.

We cannot hear you, Maurice—unless it is just me. Can you unmute yourself? We have a problem with Maurice's sound. I think that we are stretched to the limits of our technology. He can send his question or comments to the witnesses later and see whether he gets a response.

We have come to the end of what has been a substantial session. I very much appreciate the time that you have all taken to answer our questions in detail. We might want to follow up on some issues with you, and we will ensure that we send you what Maurice Corry wanted to say. You have also indicated that you will send the committee further information.

The committee will hear from the Cabinet Secretary for Transport, Infrastructure and Connectivity, Michael Matheson, on these issues. I recognise that some of the comments that I raised with you directly should be directed to the Scottish Government, because they relate to policy and not just to practical delivery. We very much appreciate that you have given us so much of your time, and we look forward to hearing the response to the island impact assessment when the board gets it.

We agree that we will meet the cabinet secretary. We will have further opportunities to reflect on what we have heard today and on other evidence.

I thank everyone for attending the meeting, including Rhoda Grant and Liam McArthur.

11:10

Meeting continued in private until 11:36.

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